

Remarks

I. General Remarks and Disposition of the Claims

Claims 1-5, 8-9, and 12-14 are pending in this application. Claims 1, 8, 9, 12, and 13 have been amended. Claims 1-5, 8-9, and 12-14 are rejected. Applicants respectfully request reconsideration in light of the remarks contained herein.

II. Remarks Regarding Rejection of Claims Under 35 U.S. C. §112

Claims 8, 9, 12, and 13 are rejected under 35 U.S.C. 112, second paragraph. These claims improperly depended from cancelled claim 7 but have been corrected so that they now depend from independent claim 1. Applicants respectfully request that the rejection to these claims be withdrawn.

III. Remarks Regarding Rejection of Claims Under 35 U.S.C. § 103(a)

Claims 1-5, 8-9, and 12-14 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,787,000 issued to Lilly et al. (hereinafter “Lilly”) in view of Layden (“A Rapidly Changing Landscape”) (hereinafter “Layden”) in further view of Manugistics5 (“Manugistics Introduces Industry’s Only Extended Supply Chain Management Solution”) (hereinafter “Manugistics”). Applicants respectfully traverse, as the Examiner has not established a prima facie case of obviousness because the prior art reference (or references when combined) do not teach or suggest all the claim limitations. See Manual of Patent Examining Procedure § 2143 (hereinafter “MPEP”).

Specifically, the combination of Lilly, Layden, and Manugistics fails to teach or suggest that the available inventory of material includes a hub inventory. The Specification of the present application, at paragraph [0037], describes a hub as:

[A]n intermediate business that agrees with the manufacturer to maintain high levels of inventory of materials that can be delivered to the manufacturer's factory on short notice upon request. The hub makes its

own arrangements with suppliers to provide material to a storage location for hub inventory. A hub may be referred to as a Supplier Logistics Center (SLC).

Additionally, paragraph [0036] of the Specification discusses how a hub is an example of an external material source (distinct from a supplier) that is in close proximity to one of a manufacturer's factories. The advantages in having inventory at a hub are that it allows the manufacturer to avoid having a warehouse of materials, which is expensive to maintain, and materials from the hub(s) may be delivered directly to the manufacturing line which needs the materials. (Spec., [0036])

The Examiner failed to reject or address the claim limitation of a hub inventory, present in claim 5. The Examiner points to Lilly as implying the teaching of an external supplier inventory. (Office Action, p.9) However, Lilly fails to teach or suggest a hub inventory, as defined by the Specification of the present invention and as required by independent claim 1. There is no explicit mention in Lilly of external suppliers, and in no way does Lilly teach or suggest a hub inventory, separate from a supplier inventory, located in close proximity to a manufacturing site and whose materials are deliverable upon short notice to the manufacturer. The cited portions of Lilly describe material availability information and the scheduling of work orders, but do not teach or suggest an available inventory including a hub inventory.

Layden and Manugistics fail to remedy the deficiencies of Lilly. The Examiner does not point to either Layden or Manugistics as teaching the above cited required element of the claims. Layden does not teach or suggest a hub inventory. At best, Layden discusses the possible triggering of reorders. (Layden, ¶ 11) However, Layden does not teach or suggest a hub inventory, separate from a supplier inventory, located in close proximity to a manufacturing site and whose materials are deliverable upon short notice to the manufacturer. Manugistics

discusses visibility into information such as manufacturing schedules and shipment status, and mentions integrating inventory data with a floor schedule, but fails to teach or suggest a hub inventory. (Manugistics, ¶¶1, 5, 7, and 9).

Thus, the combination of Lilly, Layden, and Manugistics fails to teach or suggest all of the claim limitations, and as such, a *prima facie* case of obviousness has not been established. Applicants respectfully request that the rejection of the claims over this combination be withdrawn.

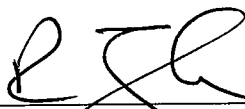
IV. No Waiver

All of Applicants' arguments are without prejudice or disclaimer. Additionally, Applicants have merely discussed why the Lilly, Manugistics, and Layden references do not render the invention of the present application obvious. Other distinctions may exist, and Applicants reserve the right to discuss these additional distinctions in a later Response or on Appeal, if appropriate. By not responding to additional statements made by the Examiner, Applicants do not acquiesce to the Examiner's additional statements, such as, for example, any statements relating to what would be obvious to a person of ordinary skill in the art. The arguments made by Applicants are sufficient to overcome the obviousness rejection.

Conclusion

Applicants respectfully submit that the rejection of pending claims 1-5, 8-9, and 12-14 should be withdrawn and that these claims, as amended, should be passed to issuance.

Respectfully submitted,



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